

**Presbytery of San Francisco**  
**Policy for Reconciliation and Dismissal of Congregations**

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**SECTION 1: ONE IN CHRIST**

**I. People of God, People of the Word**

As people of the Word, we seek always to be obedient to God's call to follow Jesus, to love God, and to be faithful disciples. We recognize that we are called to be one in Christ, and it grieves us when we realize that the unity we seek may not be possible in this lifetime. As we, the members of the Presbytery of San Francisco, consider our lives together, we acknowledge that sometimes people of faith find themselves with disparate understandings of what it means to follow Jesus Christ and to live faithfully as God's people, as people of the Word.

In such situations, unity and reconciliation are always the goal. How this is accomplished or how this manifests itself may vary. We recognize that a congregation's decision to remain or leave the denomination is never an easy decision. It is our desire regardless of the ultimate outcome to remain in relationship.

Arriving at an awareness of our differences on important matters of faith, each one of us must confess where we may have judged each other rather than making the effort to understand one another. We acknowledge that we have sought to impose our views on others, and that through our conversations we have contributed to the creation of a climate of anger and resentment. We seek forgiveness from God, and from those we have harmed, even as we realize that it may be necessary for some of us to move in a different direction. With God's help, we wish each other well, and pray that God will not only continue to work in and through each other – through members, pastors, congregations, presbyteries – but that God will make a way for us to serve together in ministry and mission, in ways we have not yet imagined but which are already a part of God's plan for us.

**II. People in Relationship**

Despite our differences, we are one in Jesus Christ, and remain sisters and brothers in the one family of God (*Ephesians 4:4-6*). Therefore, we strive for relationships marked by:

Unity – As the Presbytery, we desire to encourage peace and unity, while minimizing confrontation between our congregations and members, as we seek together to find and represent the will of Jesus Christ. In all that we do, it is our prayer to strive to be a church modeled on the body of Jesus Christ, a church made up of many different parts, all of which are necessary "for its mission to the world, for its sanctification, and for its service to God" (*1 Corinthians 12:27; Book of Order, F-1.0202*). Spiritual unity is derived from the grace of the Lord Jesus Christ and the love of God and the fellowship of the Holy Spirit (*2 Corinthians 13:14*).

Love – Throughout Scripture, God calls us to the way of love Jesus modeled in his life and ministry (*John 15:12, 1 John 4:7-12*). In our current Presbytery context, where a diversity of perspectives are held with strong conviction and passionate commitment, the words of 1 Corinthians 13: 4-7 serve as an important encouragement and standard for our ministry and life together in the body of Jesus Christ: “Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It is not rude, it is not self-seeking, it is not easily angered, it keeps no record of wrongs. Love does not delight in evil but rejoices with the truth. It always protects, always trusts, always hopes, always perseveres.” We encourage all members of the Presbytery to fulfill the requirements of this policy with love for one another.

Humility and Gentleness - “I therefore, the prisoner in the Lord, beg you to lead a life worthy of the calling to which you have been called, with all humility and gentleness, with patience, bearing with one another in love, making every effort to maintain the unity of the Spirit in the bond of peace” (*Ephesians 4:1-3*). The congregations and members of the Presbytery seek to uphold one another, respect each other's integrity, and affirm freedom of conscience, even as we acknowledge significant differences in our views of what the Bible teaches about a number of issues. We seek to act with humility and gentleness toward our brothers and sisters in Jesus Christ (*Colossians 3:12-13*) regardless of belief, conviction or practice.

As members of the Presbytery, we strive to work together in harmony and with integrity. To that end, it is incumbent upon Presbytery leadership to develop and exercise a practice of discernment and diligent response, such that the Presbytery considers and responds to the legitimate concerns, aspirations and mission of each congregation in a timely and responsible fashion. While the Presbytery and the Presbyterian Church (USA) may on occasion take actions or adopt policies to which a congregation or its members may object in good faith, Presbytery leadership and all of us as members should nevertheless strive where possible to accommodate and respect dissenting opinions or beliefs in an effort to allow our diverse body to work in a cooperative fashion and without dissention, yet permitting faithfulness in matters of principle and conscience.

### **III. The Character and Goals of This Policy**

The 218th General Assembly (2008) of the Presbyterian Church (USA), approved Commissioners' Resolution 04-28 which urged: “...that presbyteries and synods develop and make available to lower governing bodies and local congregations a process that exercises the responsibility and power ‘to divide, dismiss, or dissolve churches in consultation with their members’ (*Book of Order, G-11.0103i*) with consistency, pastoral responsibility, accountability, gracious witness, openness, and transparency.”

In an effort to respond to the call for such a policy and desiring to have a policy that reflects our aspiration to be at all times the people of God, people of the Word, and one in Jesus Christ, the Presbytery of San Francisco, hereinafter referred to as ‘Presbytery,’ sets forth this policy for use by the Presbytery and those congregations contemplating dismissal from the Presbyterian Church (USA), hereinafter referred to as ‘PC(USA)’. This policy reflects a desire to be faithful to the PC(USA)'s constitution and to the various fiduciary relationships that exist among congregations, the Presbytery, and the PC(USA) while recognizing the need for loving compromise.

## SECTION 2: THE DISCERNMENT PROCESS

### **I. Dialogue and Reconciliation**

Congregations within the Presbytery share a covenant relationship that is not to be lightly regarded. The loss of any congregation diminishes the fellowship and mutual support of all. We therefore establish a procedure by which we seek to insure that dismissal of congregations will not be sought or allowed without a full understanding by all parties of what may be lost when a congregation is dismissed.

#### **A. Identification of Potential Engagement Team Members**

The Presbytery Leadership Council in consultation with the Committee on Ministry are expected to identify a group of teaching and ruling elders who possess excellent pastoral and listening skills, including those with special training or experience in mediation and negotiation. The goal is that this group will constitute a standing team of members who are available to serve on engagement teams so that the Presbytery shall always be ready to respond immediately to a congregation that has expressed concerns that might lead to a request for dismissal. The composition of this standing team, and its tenure, are to be determined by the Leadership Council, but it is essential that the team be balanced, reflecting the diverse views of those in our Presbytery.

#### **B. Notice of and Response to Concerns**

Teaching and ruling elders within our Presbytery should see it as part of their calling to notify the leadership of Presbytery whenever they become aware of substantial concerns within a congregation regarding the congregation's continuing relationship with the PC(USA). Passing or idle comments should be handled at a congregational level with reference to the *Book of Order*, but when they become significant or sustained or involve an identifiable group, these concerns should be brought to Presbytery leadership.

When Presbytery leadership receives notification of substantial concerns within a congregation regarding the congregation's continuing relationship with the PC(USA), the chair of the Leadership Council, in consultation with the chair of the Committee on Ministry, shall immediately assign one member of the standing team to consult with leadership of the concerned congregation. The purpose of this consultation is to determine whether the dissatisfaction in the congregation is substantial enough to warrant the initiation of the formal engagement process described below. No formal meeting of the Leadership Council or Committee on Ministry should be required to make the assignment referred to here.

Within two weeks of receiving the assignment, the standing team member should report in writing to the Leadership Council and the Session of the congregation involved regarding the extent of the dissatisfaction and recommendations as to whether or not further engagement is appropriate.

In the event the standing team member recommends further engagement, the Leadership Council, in consultation with the Committee on Ministry, should designate at least three persons from the standing team to constitute a Presbytery Engagement Team (PET) to engage with the congregation on behalf of the Presbytery.

The appointment of the PET should not require action at a formal meeting of the Leadership Council or Committee on Ministry. Electronic communication should suffice. The work of the PET should commence as soon as possible. At the next regularly scheduled meeting of Presbytery, the Leadership Council shall report the appointment of the PET and affirm its authority to act on behalf of the Presbytery. The names of the PET members shall be recorded in the minutes of the Presbytery. All work of the PET should be conducted in a manner consistent with this policy.

The PET must take written notes regarding their conversations throughout the discernment and dismissal processes. The PET must make written reports to the Leadership Council on a regular and timely basis regarding the progress of its work. (See appendix on Reporting Guidelines.)

## **II. PET Consultation with Congregation's Leadership**

### **A. Parties to the Consultation**

The first consultations between the PET and the congregation should be with the congregation's Session. At the request of the Session a small group of additional congregational leaders could be included. These consultations should be prayerful and respectful with the goal of thoroughly understanding all positions and concerns.

### **B. Content of the Consultations**

These conversations should include:

- (1) Discussion of the history and significance of the covenant relationship between the PC(USA) and its congregations.
- (2) Discussion of the history of the relationship between the specific congregation, the PC(USA), and the Presbytery.
- (3) Clarification of the services and benefits provided to the congregation and its leadership by its affiliation with the Presbytery and the PC(USA) and how these might be enhanced.
- (4) Discussion of special ministries that have been undertaken by the congregation, the Presbytery's appreciation of these ministries, and possible collaboration in these ministries by the Presbytery and/or other congregations.
- (5) Discussion of the practical consequences dismissal would have for the congregation and its pastors.
- (6) Candid and considerate discussion of actions by the Presbytery and the PC(USA) that have been disturbing to the congregation, the rationale for these actions, and any possible ways to mitigate the dissatisfaction.
- (7) Discussion of how members can hold true to their deeply and honestly held convictions and still work with members with other views in furtherance of the great ends of the church. This discussion should also include how conflicts over other deeply held convictions have been ameliorated in the past and how future generations of Christians might view present controversies.

### **C. Determining Next Steps to Reconciliation or Discussion of Dismissal**

After the above consultations, the PET and the Session should jointly decide whether discussions involving the entire congregation on the question of whether or not to request dismissal from the Presbytery and the PC(USA) should be pursued.

If the decision is not to pursue the issue with the congregation at this time, the Presbytery and the congregation's leadership should work together to accomplish reconciliation in a way that honors Jesus Christ and strengthens both the congregation and the Presbytery. A plan should be formed whereby the Session and/or the pastors will hear from those who are dissatisfied, with an eye to preserving relationships, providing pastoral care, and furthering the ministry of the congregation.

### **III. PET Consultation with Congregation's Leadership and the Members**

If after all of the above discussions the PET and the Session are not able to establish a basis for reconciliation, and determine that the issue of the congregation's dismissal should be pursued, the Presbytery and the congregation's leadership should work together in a way that honors Jesus Christ and strengthens both the congregation and the Presbytery.

The Session should appoint a Special Committee of the Congregation (SCC) to negotiate with the PET the terms of a possible dismissal and formal validation of the congregation's desire to be dismissed, all pursuant to relevant sections of this policy. The SCC should comprise a mix of pastors and ruling elders including members of the congregation's applicable finance, property and personnel committees and should be representative of the broader congregation. Every effort should be made to represent those desiring to remain with the PC(USA).

Once the SCC has been formed, a series of town hall meetings, jointly held by the PET and the SCC, should be scheduled in which all of the above discussions should be shared with congregation members and in which members have the opportunity to ask questions and share opinions. During these town hall meetings it is expected that the SCC and the PET together will be able to discern the disposition of the congregation regarding possible dismissal. If the PET and the SCC determine that the congregation may favor dismissal, the negotiation of specific terms and a timeline for dismissal should proceed as expeditiously as possible so that a formal vote by the congregation can be scheduled. (See Section 3 regarding terms of dismissal).

At no time prior to this formal vote should any congregational votes be taken regarding the question of whether a congregation will request dismissal.

#### IV. Schism

Throughout all the discussions all parties should be alert to the possibility of “schism”, that is the existence of two organized groups within the congregation, either of which could reasonably constitute a viable congregation, each claiming to be the “true” local church.

If there is a question of “schism,” the matter shall be investigated by the PET.

- A. If the PET finds evidence of schism, it shall make appropriate recommendations to the Presbytery pursuant to *Book of Order*, G-4.0207, and the discussions between the PET and the congregation should be suspended.
- B. If the PET determines that there is no evidence of schism, or that any division is not sufficient grounds to prevent continuing with the process of dismissal, or if the issue of schism has been satisfactorily resolved, the PET should continue the process.
- C. Should discussions proceed to a point where the PET recommends a dismissal agreement to the Presbytery, it shall be presumed that the PET has determined that no schism preventing the dismissal of a congregation exists.

### SECTION 3: NEGOTIATION AND TERMS OF DISMISSAL

#### I. Dismissal to Another Reformed Body

A congregation can be dismissed with property only to another Reformed body. It cannot be dismissed to “independency.” During its conversations with the SCC, the PET should discuss and confirm that the congregation desires to be dismissed to another Reformed body, and intends to remain in that Reformed body.

#### II. Care for People

In any discussion regarding the dismissal of a congregation, people are of paramount importance. All our processes should be open and loving, designed to support and nurture relationships rather than divide. Yet, by the very nature of a dismissal, some relationships will be stressed or severed. As we proceed, we must make sure our processes will account for everyone and that all individuals and groups are supported.

#### A. Status of Teaching Elder Members of Presbytery

If a congregation is to be dismissed by Presbytery, the rights and status of teaching elder members must be carefully considered and handled properly. Teaching elders may request transfer to the Reformed body to which the congregation is requesting dismissal, or they may remain as members of Presbytery. Transfers may be requested concurrently with the congregation’s request or they may occur separately. If transfer is not requested concurrently, the teaching elder will be designated as a Member at Large, which will allow the teaching elder to continue to seek calls within the PC(USA). Transfers to another Reformed body will normally be approved unless the teaching elder is the subject of a pending judicial or investigative action (*Book of Order*, D-10.0105). The reasons for not granting transfer may be communicated by Presbytery’s Stated Clerk to appropriate persons.

## B. Status of Members Under Care of Presbytery

Special attention should be given to members of the congregation who are preparing for ministry and are under the care of Presbytery. Each member under care, together with his/her liaison from the Committee on Preparation for Ministry (CPM), should be advised immediately of the congregation's desire to seek dismissal. The member under care will be given the option of being dismissed with the congregation or transferring his/her membership to another congregation within the Presbytery and/or the PC(USA). If transfer to another congregation within the Presbytery/ PC(USA) is requested, the PET and the CPM liaison will assist the member in seeking a waiver of the usual six-month requirement for church membership in order to maintain care status.

## C. Status of Members of the Congregation

It is important that, throughout the dismissal process, both the SCC and PET communicate carefully so that divisiveness is minimized between those in the congregation who wish to be dismissed and those members who want to remain in the PC(USA). After formal voting by the congregation and Presbytery has been completed, all members will be contacted regarding their membership status (see Section 6 below). Members being dismissed who serve on Presbytery committees will have their terms end officially on the effective date of dismissal (as set forth below).

## III. Care for Property

### A. The Property Trust Clause

The relationship between the PC(USA), and a congregation can be changed and a congregation dismissed only by action on the part of the Presbytery (*Book of Order*, G-4.0207). Similarly, Presbytery's decision of whether or not to release its claim to real and personal property used or held by a particular congregation is to be made with full recognition of Presbytery's responsibility to deploy assets of people and material resources for the furtherance of the mission of the PC(USA), within its bounds.

According to the *Book of Order*, G-4.0203:

*All property held by or for a particular church, a presbytery, a synod, the General Assembly, or the Presbyterian Church (USA), whether legal title is lodged in a corporation, a trustee or trustees, or an unincorporated association, and whether the property is used in programs of a particular church or of a more inclusive governing body or retained for the production of income, is held in trust nevertheless for the use and benefit of the Presbyterian Church (USA).*

This paragraph is commonly referred to as "The Trust Clause" and evidences the inter-connected relationship existing between the PC(USA), and its congregations, as well as our unity in the covenant of common mission. The Trust Clause also reflects our understanding of the church as a communion of saints across time, with responsibilities both to those who came before and those who will follow.

Presbytery, as a council of the PC(USA), is responsible for ensuring ministry in its geographical area by guiding and coordinating the work of the particular congregations within its bounds in order to maximize their strength for effective witness to the broader community.

Presbytery, therefore, has an inherent interest in the location and facilities of its member congregations to further this mission, and similarly seeks to be a faithful steward of the PC(USA)'s property and other resources.

Under the Trust Clause, all property, including land and buildings, used by a particular congregation in its ministry, is held in trust for the PC(USA). For that reason, the congregation cannot sell, lease, or encumber the property in question without the permission of Presbytery, nor can it take the property with it to another denomination unless Presbytery voluntarily releases its claim upon the property.

Notwithstanding, this policy reflects the conviction of Presbytery and its member congregations that legal disputes regarding the meaning and scope of the Trust Clause should, insofar as it is possible, be avoided. Further, in considering enforcement of the provisions of the Trust Clause, it is important that Presbytery and its member congregations act graciously rather than in an adversarial manner with one another. Scripture calls us to seek in all humility to resolve our disagreements and avoid the harm that is done to the Gospel and Jesus Christ's body when Christians resort to civil litigation and public disputes over property. To that end, this policy reflects carefully considered decisions that take into full account the competing concerns and obligations of Presbytery and its member congregations, including the conviction that as they relate to matters of property, arrangements regarding property should reflect (both) the mission strategy of the Presbytery and the PC(USA) and the missional vitality of each congregation. Therefore, this policy is designed, to the greatest extent possible, to facilitate the faithful ongoing ministry of the Presbytery, the PC(USA), and the congregation.

## **B. Preliminary Considerations Prior to Dismissal**

Before negotiating the terms of dismissal of property of a departing congregation the PET must review the following:

- (1) the circumstances under which the congregation became part of the presbytery;
- (2) the congregation's history in the presbytery;
- (3) the presbytery's mission strategy in the geographic area;
- (4) a thorough analysis of the financial position of the congregation including the value of all the congregation's assets, including endowment funds, investments, personal property, and appraised value of real property;
- (5) the amount of congregation's liabilities; and
- (6) the congregation's receipts and disbursements over at least the past five years.

Should the PET ultimately recommend to the Presbytery dismissal of a congregation with some or all of its property, all of the above analysis and investigation should be reported to the Presbytery for its consideration in determining whether to approve the dismissal.



### C. Recommended Guidelines for Dismissal with Property

The following options were developed through a mediated process involving a wide spectrum of opinions from our presbytery. They are highly recommended.

If the PET believes that circumstances exist warranting a property settlement different than one of these options, the PET and congregation may negotiate mutually agreeable settlement terms, provided that such terms are consistent with the spirit and concerns reflected in this policy.

#### (1) Congregations with 100 or Fewer Members:

The dismissal of smaller congregations reflects unique challenges for both the Presbytery and the congregation as they relate to matters of property. These challenges include the financial resources available to the congregation, the Presbytery's interest in the property in question and its continued use in a manner consistent with the Presbytery's mission, and in some instances, the viability of the congregation.

A dismissed congregation with fewer than 100 members may be permitted to continue to use all of the real and personal property it holds and utilizes at the time of dismissal provided the congregation would agree to the following terms:

- (a) Affirmation by the congregation that the PC(USA) retains its rights and beneficial interest to the real and personal property the congregation holds at the time of dismissal and that all of said property is subject to the Trust Clause;
- (b) Payment by the congregation to Presbytery of any per capita assessments payments owed for prior years that are unpaid at the time of dismissal;
- (c) The congregation enters into a twenty (20) year lease agreement as to the real property of the congregation acceptable to the Presbytery pursuant to which the congregation agrees to pay, in addition to lease payments as specified in (iv) below and utilities, all real estate taxes, building or property insurance, and maintenance (i.e. a "triple net lease");
- (d) As an express condition of the congregation's property use under the lease, the congregation shall pay to Presbytery an annual lease payment equivalent to the full per capita assessment (Presbytery, Synod and General Assembly) for the congregation in the year in which the congregation's dismissal became effective. For each year thereafter, the congregation shall pay a lease amount that reflects any increase in membership (based on the full per capita rate in effect in the year the dismissal became effective); but in no case would the lease payment be less than the congregation's per capita assessment for the year in which the dismissal became effective;

- (e) The lease agreement shall provide that at the end of the 20-year lease term, the congregation may either (a) purchase the real property in question at a price equal to fifty percent (50%) of the real property's fair market value (with the value as to the real property held and utilized as a place of worship being based on the value of the real property as an ongoing place of ministry and worship, less any outstanding debt on the property), provided that the amount paid by the congregation as lease payments herein shall be credited toward the purchase price; or (b) immediately vacate and surrender the real property and all personal property of the congregation to the Presbytery;
- (f) In the event the congregation elects to purchase the property in question, the lease agreement providing for the purchase right shall, to the greatest extent possible under law, require (1) that the property continue to be used for the worship and ministry of a congregation affiliated with another Reformed body for at least five (5) years from the date of purchase; and (2) that if, within the same five year period, the property in question ceases to be used as a place of worship by such a Reformed body, or the congregation seeks to sell or sells (or seeks to transfer title by legal process or otherwise) without the written consent of Presbytery, then in each and every such case the title to the above described property shall revert to and become vested in the Presbytery/ PC(USA), or its successor, to be used by it in a manner consistent with its mission;
- (g) All legal, transaction, title, or recording costs associated with the purchase and transfer of the property shall be paid by the congregation, unless otherwise agreed.
- (h) At the time the purchase of the real property has been completed, the Presbytery shall release all claims to the personal property of the congregation up to 25% of the value of the real property.

(2) Congregations with More than 100 Members:

A congregation seeking dismissal with more than 100 members may be permitted to be dismissed with its real and personal property subject to the following terms:

The congregation may elect one of the options provided for in subsections 2(a), (b), or (c) below. If a congregation selects option 2(b) or 2(c), the terms of subsection 2(d) would also apply.

- (a) The Congregation agrees to the long-term lease terms set forth above in Section 3(III)(B)(C)(1)(a).
- (b) Payment based on assumed property value. Presbytery may permit a congregation seeking dismissal to leave with its property provided that the congregation makes a payment to Presbytery of ten percent (10%) of the fair market value of all of the real and personal property in question (with the value as to the real property held and utilized as a place of worship being based on the value of the real property as an ongoing place of ministry and worship, less any outstanding debt on the property), provided that this property-related payment shall not exceed the applicable amounts set forth below, which amounts are determined based on the size of the congregation seeking dismissal and a maximum assumed value of real and personal property:

Number of members	Limit on Maximum Value of Real and Personal Property	Payment
1 - 100	Per Section III(C)(1)	
101 - 200	\$2,000,000	\$200,000
201 - 400	\$2,750,000	\$275,000
401 - 800	\$4,000,000	\$400,000
801 - 1600	\$6,000,000	\$600,000
More than 1600	\$7,500,000	\$750,000

*All amounts in this chart are based on 2012 dollars. It is expected that annual adjustments will be made to this chart as appropriate based upon the San Francisco Bay area Consumer Price Index. This updated chart will be utilized at the time the PET and SCC prepare documents for the congregational vote regarding the proposed dismissal terms.*

- (c) Payment based on actual property value. In lieu of making a payment based on the maximum assumed value of the real and personal property set forth in the chart above, the congregation seeking dismissal may instead elect to make payment for the property based on 10% of the actual appraised value of the real and personal property (with the value as to the real property held and utilized as a place of worship being based on the value of the real property as an ongoing place of ministry and worship, less any outstanding debt on the property). In such case, the congregation seeking dismissal will provide to the PET a current appraisal of the value of the congregation's land and buildings. The PET is granted the discretion to determine which items are to be included in the appraisal of personal property. Appraisal costs, which shall be prepared by an independent appraiser satisfactory to the PET, will be assumed entirely by the congregation.

- (d) Contribution to the continuing ministry of Presbytery. Presbytery's financial ability to sustain ministry in its geographic area is dependent upon the per capita assessments received each year from its member congregations. A congregation seeking dismissal from Presbytery must be current with regard to its per capita assessments at the time a request for dismissal is made, and the PET will not consent to permitting the question of dismissal to be submitted to a validation vote at Presbytery without the full payment of any outstanding per capita assessments.

In addition, and as a reflection of a shared concern for the continuing work of the Presbytery and the PC(USA), the dismissal of the congregation shall be conditioned on a congregation's commitment and covenant to make a continuing ministry payment to Presbytery in each of the five (5) years following the year in which the congregation's dismissal became effective. Said payment shall be in an amount equivalent to the dismissed congregation's full per capita assessment (Presbytery, Synod and General Assembly) in the year in which its dismissal became effective.

### (3) General Administration

- (a) Review of Property and Financial Records. Unless otherwise agreed, the SCC will provide to the PET copies of all executed documents concerning the congregation's incorporation and by-laws, real property and other assets including, but not limited to, current deeds of trust, loan agreements, liens, and property and casualty insurance. Representatives of the SCC and the PET will review these documents to determine whether Presbytery, Synod or any PC(USA) body is named therein and/or is exposed to any liability claims which exist or may arise under these documents. Similarly, if the congregation has established a foundation or received grants or endowment(s), relevant documents must be examined to identify whether any property is subject to the Trust Clause, as well as to determine any terms or restrictions involving Presbytery, Synod or the PC(USA). In order for the dismissal process to proceed, steps must be taken to repay in full any indebtedness owed to or guaranteed by Presbytery, the Synod, or the PC(USA) or to refinance such indebtedness through an independent creditor without support from Presbytery/Synod / PC(USA). If the PET does not believe a viable plan for repayment exists, the PET shall recommend to the SCC that the dismissal process be put on hold, before the congregational vote, until a viable plan to repay the loan is established.
- (b) Prior to the Presbytery voting on the dismissal, where appropriate the SCC shall provide the PET details regarding to whom the church property shall be transferred, such that the appropriate legal documentation can be prepared. Prior to finalization of the dismissal process, legal counsel will be retained to review the settlement agreement, prepare a quit claim by Presbytery to the congregation for any real property being released, and prepare an indemnification by the congregation to Presbytery against any and all future claims that may arise related to the property. Appropriate action must also be taken to amend any organizational documents, as necessary, and to ensure that adequate insurance coverage of all property is maintained until dismissal is completed.

- (c) Prior to the Presbytery voting on dismissal, the PET and the SCC shall prepare a plan for clear and timely communication to all congregational members regarding their options for remaining within the Presbytery/PC(USA) in the event Presbytery votes to accept the terms of the agreement and dismisses the congregation. This plan shall address the requirements set forth in Section 6 below.
- (d) Purchase, Transfer, and/or Lease Costs. All legal, transaction, title, or recording costs associated with the purchase, transfer or lease of the property shall be paid by the congregation, unless otherwise agreed.
- (e) Retention of Official Records. The PET and the SCC shall agree upon a method for assuring that the congregation and Presbytery shall both retain copies or originals of the Session's and the congregation's official records. (Book of Order, G-3.0107). This must include, but need not be limited to, all Session minutes. The PET and SCC shall determine how to cover costs that will be incurred in preparing copies of records for retention.
- (f) The PET and the SCC shall consider any issues pertaining to the use of the PC(USA)'s trademarks and/or name (*Book of Order*, Appendix F-4).
- (g) All payments to be made pursuant to this policy as a condition of dismissal reflect a desire on the part of Presbytery to respectfully deal with the congregation's request to be dismissed, and to have that happen in a way that minimizes the impact on a congregation's ministry. The policy similarly reflects a desire that a congregation should be dismissed in a way that minimizes the impact on the mission and ministry of the Presbytery and the PC(USA).
- (h) In the event that a dispute arises between the congregation and the Presbytery as to either party's obligations under any lease agreement or contract entered pursuant to this policy, and the PET and SCC cannot resolve it through negotiation, then the parties shall be obligated to submit the dispute to mediation before a mutually agreed-upon mediator. In the event that mediation is not successful in resolving the dispute, then the parties shall submit the dispute to binding arbitration before a mutually agreed-upon arbitrator, and, unless otherwise agreed upon, the rules applicable to the arbitrating organization.

#### **D. Allocation of Dismissal Payments to Presbytery**

All property-related payments made pursuant to this policy shall be reserved for use in new church development and/or furthering the mission and ministry of the PC(USA) and the Presbytery within its bounds.

The continuing ministry payments made pursuant to this policy shall be for the Presbytery's general operating budget.

#### **SECTION 4: VALIDATION OF CONGREGATION'S REQUEST FOR DISMISSAL**

After the PET and SCC have negotiated the terms of dismissal, the Session will ask the PET to request that Presbytery call a meeting of the congregation. The stated purpose of the meeting shall be "to validate the congregation's desire for dismissal from the Presbyterian Church (USA) and ascertain the congregation's unity in this decision." The called meeting of the congregation must be noticed at least 30 days in advance, and every effort must be taken to maximize participation of the members in this meeting.

##### **I. Meeting of the Congregation**

A written settlement agreement and an explanation of any deviation from this policy will be made available to the congregation. It is expected that representatives of the PET and the SCC will address the congregation and discuss any specific issues that will enable the congregation to make an informed decision based on facts and prayerful discernment.

##### **II. Quorum and Requirement for Validation**

While the quorum for congregational meetings is normally set by the rules of a particular congregation, the importance of the dismissal decision on the life of the congregation requires that all members of the congregation shall have opportunity to review the materials and that at least 50% of the members cast a ballot. In unusual cases where it is impractical to assemble 50% of the members of the congregation in one place and/or at one time, the PET may approve alternate arrangements that allow for flexibility in timing and location, making sure that all participants have access to the entire discussion and the opportunity to cast a ballot.

Steps will be taken to ensure that only members of the congregation are permitted to vote, and voting will be by written ballot. The importance of validating the congregation's request for dismissal requires that no less than 75% of the at least 50% of the members who are voting, affirm the dismissal. If 75% or more of those voting approve the request for dismissal and accept the terms of the negotiated agreement, the dismissal request will be deemed as validated by the congregation. The congregational vote, however, is advisory only; the final decision to dismiss rests with the Presbytery.

## **SECTION 5: PRESBYTERY'S APPROVAL OF DISMISSAL OF THE CONGREGATION**

Once the congregation has formally voted to request dismissal from the Presbytery/the PC(USA) and has accepted the terms of dismissal, Presbytery will schedule a vote at its next regular meeting for which the request can be submitted. Prior to the presbytery meeting, the report of the PET and the terms of dismissal will be provided to all members of Presbytery. The written report of the PET to the Presbytery will include, at minimum, a summary of its reports to Leadership Council, the analysis made by the PET pursuant to part III B of Section 3, and the rationale for the terms of dismissal. (See appendix on Reporting Guidelines.)

Renegotiation of the terms for dismissal through use of amendments from the floor of Presbytery would invalidate months of work between the PET and the congregation. Therefore, the proposal should be presented as a whole, with the understanding that the final agreement is the result of good faith negotiations between the PET and the congregation. The motion to accept the terms of the settlement and dismiss the congregation should be preceded by a two-thirds vote required to preclude amendments and limit debate. It is our prayer that, by all parties committing to follow the above process in good faith, we can resolve our differences reasonably and civilly.

The effective date of dismissal will occur no earlier than 91 days after the Presbytery vote, and as promptly thereafter as practicable recognizing the need to complete necessary purchase and transfer documentation. Presbytery and the congregation agree to use best efforts and good faith to accomplish these tasks expeditiously.

## **SECTION 6: PASTORAL CARE OF MEMBERS WHO DESIRE TRANSFER OR WHO NEED CARE IN TRANSITION**

As soon as possible following the Presbytery vote to dismiss the congregation to another Reformed body, the Presbytery will implement the communications plan specified in Section 3 III (C)(3)(c) above. This will include the PET preparing a letter from the Presbytery to members of the congregation informing them of their option to be dismissed with the congregation, to remain in the PC(USA) by transferring their membership to another PC(USA) congregation or to be transferred to a congregation of another denomination. The congregation will be responsible to deliver the letter promptly to all members on its rolls and will bear all costs associated with delivery. All responses are to be returned to the Presbytery, and the Presbytery will promptly forward copies of all responses to the congregation. Allowing sufficient time for receiving responses from members, but prior to the end of 90 days following the vote of Presbytery to dismiss the congregation, the Session shall meet to vote to transfer membership of those who wish to affiliate with another PC(USA) congregation or a congregation of another denomination. All members who have not replied that they wish to transfer their membership to another PC(USA) congregation or a congregation of another denomination will be dismissed to the Reformed Body specified in the terms of agreement on the effective date of dismissal.

The Presbytery will then ensure that contact is made with those members who wish to remain in the PC(USA) and/or to transfer to another congregation so that they are assisted in joining a new congregation of their choice. This may include the PET and the COM liaison assisting the member in seeking a waiver of the usual requirements for church membership.

Although some members of the congregation may not experience dismissal as a major event, for others it will mark a significant sundering of bonds with an extended church family. Especially, for those members who did not favor dismissal, the post-dismissal period may be a difficult one regardless of whether they choose to transfer membership or to be dismissed with the departing congregation. Such members will need to process a range of experiences and emotions, including loss, isolation, and abandonment. Whether such members choose to be dismissed with the departing congregation, or choose to move to another congregation, there will be a need for intentional pastoral care. That pastoral care will probably involve both work with individuals, and work with small groups.

Presbytery, acting through the PET, will need to identify and reach out to those members who need support, beginning with those the PET may have identified earlier as favoring remaining within the PC(USA). Moreover, Presbytery will need to allocate resources to provide individual counseling; small-group prayer, reflection and worship; and group counseling to help members choosing to remain in the PC(USA) move through the experience of dismissal into the future, with a sense of health and wholeness.

At the very least, Presbytery should commission at least two of its teaching elders (retired or active) and/or ruling elders with experience in grief counseling, to act as a team of chaplains to minister to members choosing to remain in the PC(USA) for an extended period of time following a congregation's dismissal.

#### **SECTION 7: COMPLETING THE DISMISSAL**

Recognizing that the departure of valued colleagues in ministry will be a matter of pain for all parties, it is appropriate for the Presbytery to hold a service of worship giving thanks for prior shared ministry and prayers for the ongoing witness of both the congregation seeking dismissal and of all the other congregations in the Presbytery and the Presbyterian Church (USA).

#### **SECTION 8: WITNESSING TO THE WORLD AS ONE**

Implementing this policy will never be an easy task. It involves respectfully recognizing that our deeply held convictions and perspectives differ greatly, and acknowledging that these differences are leading us in separate directions. At the same time, we remain sisters and brothers in Jesus Christ and we desire to bring glory to God as we act in grace and love toward each other. Even as Jesus prayed, we pray that our oneness in Jesus Christ will be a witness to this world:

"I ask not only on behalf of these, but also on behalf of those who will believe in me through their word, that they may all be one. As you, Father, are in me and I am in you, may they also be in us, so that the world may believe that you have sent me. The glory that you have given me I have given them, so that they may be one, as we are one, I in them and you in me, that they may become completely one, so that the world may know that you have sent me and have loved them even as you have loved me." (*John 17:20-23*)



## Appendix A Required Reporting and Written Documentation by the PET

### **Background:**

The GA PJC ruling in the Tom v. Presbytery of SF case, even though it referred to a dismissal policy that the Presbytery of SF had already rewritten and replaced, still made some authoritative determinations as to what must be considered in creating a dismissal policy.

In particular, the PJC ruled that

- Payment of per capita going forward was not sufficient in considering the financial aspects of the dismissal.
- That in a motion for dismissal, the PET must consider and must demonstrate that it has considered the Presbytery's fiduciary or trustee responsibilities in granting dismissal. Those trustee responsibilities include a consideration of the property value, a consideration of the PCUSA's beneficial interest in the property, the size of the congregation and its financial strength, the pastoral care and transition of the members, the clergy and the interns, and also the exploration of the possibility of a schism whereby a portion of the congregation might want to remain within the PCUSA.
- That the property value considerations cannot be based upon a mandatory formula- i.e. the PET must be able to consider other options for property valuation as well.

### **Required Written Reporting:**

Our present dismissal policy requires that the PET must keep written notes of all of its conversations with the congregation and with any SCC (should it be formed), and to make timely and written reports to Leadership Council, and to Presbytery. Within those reporting requirements, the PET must specifically provide a written report at least at the following two junctures in the process, including these informational requirements.

**Report #1: A written report to Leadership Council must be made at the time that the PET determines that a congregation will go forward with forming an SCC, or at the time that the PET determines that the congregation will not pursue dismissal.**

This report must include notes or a narrative that demonstrates the course of the discussions with the congregations and the key points discussed that caused the PET to arrive at its conclusion to implement the next step required by the policy process, whether that step is to go forward in forming an SCC, or that step is not to go forward with dismissal process at that time.

**Report #2: A written report must accompany any recommended Terms of Dismissal.**

This report must include, at a minimum, the demonstration that the PET has considered the Presbytery's fiduciary responsibilities by addressing a) the consideration of the property value, describing how and why the value of the property was determined, b) the size of the congregation and its financial strength, c) the consideration of the PCUSA's beneficial interest in the property, d) the concern for pastoral care and transition of the members, e) the concern for pastoral care and transition of the clergy, f) the concern for pastoral care and transition of any interns, g) the exploration of the possibility of a schism whereby a portion of the congregation might want to remain within the PCUSA, h) a justification for how the body to which the church would be dismissed is considered to be a Reformed body.